

# SUMMARY ANALYSIS OF AMENDED BILL

Franchise Tax Board

Author: AR&T Committee

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Bill Number: AB 2979

Related Bills: See Prior Analysis

Telephone: 845-7478

Amended Date: June 19, 2002

Attorney: Patrick Kusiak

Sponsor: \_\_\_\_\_

**SUBJECT:** Adjust. Of Refundable Credit/Clarify Gov't Code/Frivolous Return Penalty/HRA  
Technical/Innocent Spouse/ Other State Tax Credit Source Rules

DEPARTMENT AMENDMENTS ACCEPTED. Amendments reflect suggestions of previous analysis of bill as introduced/amended \_\_\_\_\_.

AMENDMENTS IMPACT REVENUE. A new revenue estimate is provided.

AMENDMENTS DID NOT RESOLVE THE DEPARTMENT'S CONCERNS stated in the previous analysis of bill as introduced/amended \_\_\_\_\_.

FURTHER AMENDMENTS NECESSARY.

DEPARTMENT POSITION CHANGED TO \_\_\_\_\_.

REMAINDER OF PREVIOUS ANALYSIS OF BILL AS INTRODUCED February 27, 2002,  
☒ STILL APPLIES.

☒ OTHER - See comments below.

## SUMMARY

This Franchise Tax Board (FTB) sponsored bill would:

- Amend the Government Code to delete an obsolete reference.
- Address an administrative problem in the processing of the Child and Dependent Care Credit.
- Conform state law to federal law regarding certain penalties.
- Make nonsubstantive, technical changes to the Senior Citizens Homeowners and Renters Property Tax Assistance Laws.
- Provide specific sourcing rules for the other state tax credit.
- Increase the gross income and state income tax liabilities that would qualify for judicial relief of joint and several tax liabilities.
- Inform the parties to a divorce proceeding of existing tax laws regarding divorce court orders.

## SUMMARY OF AMENDMENTS

The June 19, 2002, amendments remove provisions that would have given FTB express statutory authority both to accept e-signatures for returns and to prescribe procedures for e-signatures. In addition, the amendments make a technical change to the provision that would conform state law to federal law regarding certain penalties. Except for an updated effective and operative date for the provision regarding the other state tax credit, the remainder of the department's analysis of the bill as introduced February 27, 2002, still applies.

Board Position:

<input checked="" type="checkbox"/> S	<input type="checkbox"/> NA	<input type="checkbox"/> NP
<input type="checkbox"/> SA	<input type="checkbox"/> O	<input type="checkbox"/> NAR
<input type="checkbox"/> N	<input type="checkbox"/> OUA	<input type="checkbox"/> PENDING

Legislative Director

Date

Brian Putler

7/17/02

## **POSITION**

Support.

At its March 6, 2002, meeting, the Franchise Tax Board voted to sponsor the language in this legislation.

## **OTHER STATE TAX CREDIT SOURCE RULES**

### **EFFECTIVE/OPERATIVE DATE**

This provision would be effective January 1, 2003, and operative for taxable years beginning on or after January 1, 2003.

### **LEGISLATIVE STAFF CONTACT**

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